

Montana Legislative Fiscal Division Revenue Source Profile

Updated through June 2014

Metalliferous Mines Tax

Revenue Description

The metalliferous mines license tax is imposed on the production of metals, gems or stones in the state. The tax rate is applied to the gross value of the product, which is defined as the market value of the commodity multiplied by the quantity produced. The first \$250,000 of value is exempt from taxation. A company taxed at both rates can claim both exemptions.

Statutory Reference

Tax Rate – [15-37-103, MCA](#)

Tax Distribution – [15-37-117, MCA](#); [17-2-124\(2\), MCA](#)

Date Due – August 15th for the period January through June, March 31st for the period July through December ([15-37-105, MCA](#))

Applicable Tax Rates

The tax rate based on gross value for a 6-month period is shown in the table below. Gross value is defined as monetary amounts or refined metal received for the products, less the following deductions:

- Basic treatment and refinery charges
- Transportation costs from the mine to a mill or other processor
- Quantity and price deductions
- Interest
- Penalty metal, impurity and moisture deductions

Metalliferous Mines Tax Rates		
	Gross Value	Tax Rate
For concentrates shipped to a smelter, mill or reduction work:	\$0-\$250,000	Exempt
	\$250,000+	1.81%
For gold, silver, or any platinum group metal that is dore, bullion, or matte and that is shipped to a refinery:	\$0-\$250,000	Exempt
	\$250,000+	1.6%

Collection Frequency: Biannually

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Distribution

The distribution of the metal mines tax has been altered several times; the changing allocations are shown in the following table.

Metalliferous Mines Tax Distribution						
Account Name	FY 1998 to FY 1999	FY 2000 to FY 2002	FY 2003	FY 2004 to FY 2005	FY 2006 to FY 2007	FY 2008 & Beyond
General Fund	58.0%	58.0%	58.0%	65.0%	58.0%	57.0%
Counties *	25.0%	25.0%	24.0%	24.0%	24.0%	25.0%
Hard Rock Reclamation Debt Service	0.0%	0.0%	0.0%	8.5%	8.5%	8.5%
Natural Resources Operations	0.0%	4.8%	7.0%	0.0%	7.0%	7.0%
Hard Rock Mining	1.5%	1.5%	2.5%	2.5%	2.5%	2.5%
RIT Trust	15.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Groundwater Assessment	0.0%	2.2%	0.0%	0.0%	0.0%	0.0%
Abandoned Mines	0.0%	8.5%	0.0%	0.0%	0.0%	0.0%
Orphan Share	0.0%	0.0%	8.5%	0.0%	0.0%	0.0%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

* Statutorily appropriated

Revenue History

